

**RESOLUTION NO. 2013-28361**

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE SECOND AMENDMENT TO THE FISCAL (FY) 2012/13 GENERAL FUND AND ENTERPRISE FUND BUDGETS**

**WHEREAS**, the Administration has performed a projection of year-end revenues and expenditures and it is anticipated that the General Fund will have an overall initial operating budget surplus of \$62,000; and

**WHEREAS**, although the General Fund is not projected to be over budget as a total; and

**WHEREAS**, the City of Miami Beach adopts the budget at the departmental level; and

**WHEREAS**, Florida Statutes require that actual expenditures not exceed budget at the level at which the budget is adopted; and

**WHEREAS**, a budget amendment is required for departments that are projected to overspend their appropriation; and

**WHEREAS**, based on the third quarter analysis, three General Fund department budgets will need to be amended, primarily due to employee givebacks not achieved in FY 2012/13 as the focus of labor negotiations was long term pension reform in the Fire and Police Pension Plan; and

**WHEREAS**, the Sewer budget is anticipated to be over budget; primarily due to sewer treatment costs being over budget, which is offset by higher than budgeted sewer revenues; and

**WHEREAS**, the Convention Center budget is also anticipated to be over budget; primarily due to an increase in the number of events, which is offset by revenues being projected over budget.

**NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA**, that the second amendment to the FY 2012/13 General Fund budget and Enterprise Funds is adopted as shown on the following pages.

# GENERAL FUND

	FY 2012/13 Amended 4/17/2013	Recommend Changes to Appropriation	FY 2012/13 Amended 09/30/13
<b>REVENUES</b>			
<b>Operating Revenues</b>			
Ad Valorem Taxes	\$ 102,171,000		\$ 102,171,000
Ad Valorem Taxes-S Pte Costs	10,296,000		10,296,000
Ad Valorem Cap.Renewal & Replace.	1,850,000		1,850,000
Ad Valorem Taxes-Norm Shores	129,000		129,000
Other Taxes	24,023,000		24,023,000
Licenses and Permits	20,033,000		20,033,000
Intergovernmental	9,827,000		9,827,000
Charges for Services incl. Golf Courses	10,668,000		10,668,000
Fines and Forfeits	2,199,000		2,199,000
Interest	2,983,000		2,983,000
Rents and Leases	6,464,000		6,464,000
Miscellaneous	11,830,000		11,830,000
Other - Resort Tax contribution	30,965,000		30,965,000
Other - Non- Operating Revenues	8,532,000		8,532,000
Reserves -Building Department Ops.	1,500,000		1,500,000
Prior Year Set Aside for Pension Credit	2,210,000		2,210,000
FY 09 Surplus Set Aside	3,400,000		3,400,000
Prior Year Surplus from Parking Operation Fund	7,200,000		7,200,000
Reserve- Carryforward for FY 2011/12 Encumbrances	440,000		440,000
Reserve- Carryforward for FY 2011/12 Appropriations	950,000		950,000
<b>Total General Fund</b>	<b>\$ 257,670,000</b>	<b>\$ 0</b>	<b>\$ 257,670,000</b>
<b>APPROPRIATIONS</b>			
<b>Department</b>			
Mayor and Commission	\$ 1,648,000	\$ (22,000)	\$ 1,626,000
City Manager	2,745,000	(37,000)	2,708,000
Communications	893,000	(46,000)	847,000
City Clerk	1,505,000	(71,000)	1,434,000
Finance	4,426,000	(198,000)	4,228,000
Office of Budget & Perf Improve.	2,160,000	(325,000)	1,835,000
Human Resources/Labor Relations	1,827,000	(177,000)	1,650,000
Procurement	1,068,000	(80,000)	988,000
City Attorney	4,318,000	225,000	4,543,000
Real Estate, Housing & Comm Dev	1,048,000	(210,000)	838,000
Community Services	460,000	(2,000)	458,000
Homeless Services	990,000	(72,000)	918,000
Building	11,072,000	(192,000)	10,880,000
Code Compliance	4,647,000	(256,000)	4,391,000
Planning	3,419,000	(319,000)	3,100,000
Tourism & Cultural Development	2,503,000	(59,000)	2,444,000
Parks and Recreation	28,798,000	(100,000)	28,698,000
Public Works	6,688,000	(97,000)	6,591,000
Capital Improvement Program	4,858,000	(629,000)	4,229,000
Fire	62,263,000	(1,157,000)	61,106,000
Police	94,970,000	1,553,000	96,523,000
Citywide Accounts	10,298,708	3,245,000	13,543,708
Citywide Acc-Operating Contingency	1,000,000	(1,000,000)	-
Citywide Accounts-Transfer to Normandy Shores	187,292	26,000	213,292
<b>Sub Total General Fund</b>	<b>\$ 253,792,000</b>	<b>\$ -</b>	<b>\$ 253,792,000</b>
<b>TRANSFERS</b>			
Capital Reserve Fund	0	0	0
Pay-As-You-Go Capital Fund	1,400,000	0	1,400,000
Capital Investment & Upkeep Account	224,000	0	224,000
Info & Comm Technology Fund	395,000	0	395,000
<b>CAPITAL RENEWAL &amp; REPLACEMENT</b>	<b>1,859,000</b>	<b>0</b>	<b>1,859,000</b>
<b>Sub Total Transfers</b>	<b>\$ 3,878,000</b>	<b>\$ 0</b>	<b>\$ 3,878,000</b>
<b>Total General Fund</b>	<b>\$ 257,670,000</b>	<b>\$ 0</b>	<b>\$ 257,670,000</b>

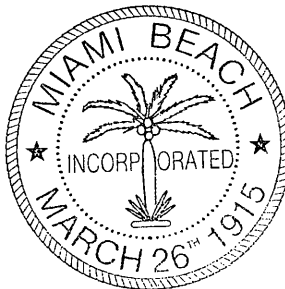
	FY 2012/13 Amended 4/17/2013	Recommend Changes to Appropriation	FY 2012/13 Amended 09/30/13
<b>ENTERPRISE FUNDS</b>			
<b>REV/EXP APPROPRIATIONS</b>			
Convention Center	\$ 12,702,000	\$ 1,792,000	\$ 14,494,000
Parking	47,702,000		47,702,000
Sanitation	17,328,000		17,328,000
Sewer Operations	37,730,000	805,000	38,535,000
Stormwater Operations	11,984,000		11,984,000
Water Operations	34,684,000		34,684,000
<b>Total Enterprise Funds</b>	<b>\$ 162,130,000</b>	<b>\$ 2,597,000</b>	<b>\$ 164,727,000</b>

Passed and adopted this 30<sup>th</sup> day of September, 2013.

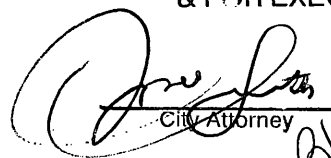
  
Mayor

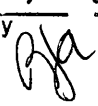
ATTEST:

  
\_\_\_\_\_  
City Clerk



APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

  
\_\_\_\_\_  
City Attorney

 9/27/13  
\_\_\_\_\_  
Date

**Condensed Title:**

**A RESOLUTION ADOPTING THE SECOND AMENDMENT TO THE FISCAL (FY) 2012/13 GENERAL FUND AND ENTERPRISE FUND BUDGETS**

**Key Intended Outcome Supported:**

Ensure expenditure trends are sustainable over the long term  
 Improve the City's overall financial health and maintain overall bond rating

**Supporting Data (Surveys, Environmental Scan, etc.):**

N/A

**Item Summary/Recommendation:**

The budgets for the General Fund and Enterprise Fund budgets for Fiscal Year 2012/13 were approved on September 27, 2012 with the adoption of Resolution No. 2012-28014. The First Amendment was approved on April 17, 2013 with the adoption of Resolution No. 2013-28185.

Overall, there is a preliminary estimated operating budget surplus of \$62,000 (0.2 percent) in the General Fund. The estimates are based on third quarter projections and reflect a significant improvement from second quarter projections which estimated a \$2 million shortfall.

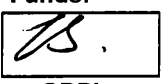
Although the total General fund expenditure is below budget, Florida Statutes require that actual expenditures not exceed budget at the level at which the budget is adopted, which in Miami Beach is at the departmental level. Therefore, a budget amendment is required for departments that are projected to overspend their appropriation. Based on the third quarter analysis, the Police Department, Citywide Accounts and the City Attorney's office need to be amended.

The Police department is projected to be \$1.5 million above budget primarily as a result of \$1.4 million in budgeted employee givebacks that have not been achieved and a projected \$0.6 million over budget in overtime costs. Citywide Accounts is projected to be \$2.3 million above budget primarily due to charges for accumulated leave payout, which are projected to exceed the \$1.9 million budgeted by \$4.1 million, the most significant portion of this was due to an increase in leave used for Fire and Police pension buybacks driven by the 2010 Fire and Police Pension Plan changes that became effective on June 27, 2012. The City Attorney's Office is projected to be \$0.2 million above budget primarily due to charges for outside legal fees, directly related to labor/union negotiations. The additional expenses above budget will be offset by reducing appropriation in other departments in the General Fund that are projected to end the year under budget.

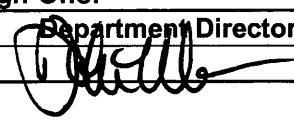
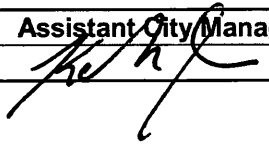

The Convention Center and Sewer Enterprise Funds require a budget amendment. The Convention Center is projected to be over budget by approximately \$1.8 million primarily due to an increase in the number of events, which have offsetting revenue. The Sewer Fund expenses are projected to be over budget by \$0.8 million primarily due to increased sewer treatment expenses, which is offset by higher than budgeted Sewer revenues.

This amendment allows for additional contingency of \$0.9 million, pending the year end closeout reflecting final FY 2012/13 expenditures.

**Financial Information:**

Source of Funds:		Amount	Account
 OBPI	FY 2012/13	\$0	General Fund
		\$2,597,000	Enterprise Funds

**Financial Impact Summary:****Sign-Offs:**

Department Director	Assistant City Manager	City Manager
		





# MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, [www.miamibeachfl.gov](http://www.miamibeachfl.gov)

## COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: September 30, 2013

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE SECOND AMENDMENT TO THE FISCAL (FY) 2012/13 GENERAL FUND AND ENTERPRISE FUND BUDGETS**

### ADMINISTRATION RECOMMENDATION

Adopt the resolution amending the FY 2012/13 General Fund and Enterprise Fund budgets.

### GENERAL FUND ANALYSIS

The Fiscal Year 2012/13 projected actuals as of September 30, 2013 are presented in the following pages. It is important to note that the numbers are based on the third quarter projections and may be adjusted after the Finance Department finalizes all FY 2012/13 expenses. The proposed budget amendment represents the budget amendment required by state law for departments or accounts that exceed their appropriated authority.

In past years, the budget amendment was prepared in November of the next fiscal year. In an effort to provide this information on a more timely basis, the analysis and recommended amendments presented herein are therefore still subject to change. We will continue to refine the estimate and present an update once the year-end close-out process is complete, typically in the March timeframe.

The following comparisons show that, overall, there is a preliminary estimated operating budget surplus of \$62,000 (0.02 percent) in the General Fund and assumes no additional contingency is spent for the remainder of the year. This projection is an improvement from the second quarter projection of a \$2 million shortfall. A detailed analysis of the related projections is outlined in the Third Quarter Letter to Commission.

General Fund	Adopted Budget as amended through April 17, 2013	FY 2012/13 Third Quarter Projection	Budget/ Projected
Revenues	\$ 257,670,000	\$ 256,756,000	\$ (914,000)
Expenditures*	257,670,000	256,694,000	(976,000)
<b>Surplus/(Deficit)</b>	<b>\$ -</b>	<b>\$ 62,000</b>	<b>\$ 62,000</b>

## **Employee Givebacks**

The FY 2012/13 General Fund budget includes nearly \$3 million of General Fund employee givebacks. At the time of budget development, the \$3 million in employee givebacks were allocated across all salary groups proportionate to salaries. Subsequently targets were developed for each salary group proportionate to each group's share of the City's total pension and health costs, since these have been the major cost drivers of personnel costs in recent years. The initial budget assumed merit and step increases for all seven (7) salary groups. However, it was anticipated that a large share of the employee givebacks for FY 2012/13 would be achieved through negotiating merit and step freezes, adherence to the Fair Labor Standards Act (FLSA) for the purposes of calculating overtime, as well as a reduction or elimination of various "extra" pays for those employees covered by the FOP and the IAFF.

The reality is that employees covered by the FOP and the IAFF have not experienced a freeze in their step increases in the last four (4) years, while the American Federation of State, County and Municipal Employees (AFSCME) and the Government Supervisors Association of Florida (GSAF) experienced a freeze on merit increases for two (2) years. Merits for employees covered by GSAF were reinstated effective October 1, 2012 and merits for employees covered by AFSCME have been reinstated effective April 1, 2013; however, the maximum merit increase was reduced from four percent to two percent once reinstated. In comparison, this is the third year of no merit increases for employees covered by the Communication Workers Association (CWA) as it is a "status quo" provision in the CWA collective bargaining agreement. Furthermore, this is the fourth straight year that employees in the "Unclassified" and "Other" salary groups have not received any merit increases. These assumptions are utilized for the projections throughout the remainder of the fiscal year.

The chart below provides a summary of the budgeted employee givebacks by salary group, the target employee givebacks by salary group and the employee givebacks achieved to date. There are no changes in any of the collective bargaining agreements throughout the remainder of the fiscal year.

The Administration has been successful in negotiating some significant changes through the collective bargaining process, totaling \$4,635,000 to the General Fund in FY 2013/14. Implementation of long term pension changes for current and future employees are projected to result in savings of \$5,664,000 to the General Fund (CWA \$120,000, IAFF \$2,152,000 and FOP \$3,392,000). CWA impacts for three percent merit eligibility, eleven percent extension of the salary range for Lifeguard II and Lieutenants, changes to holiday pay and increase of union time bank hour resulting in \$507,000 increase in salaries, and a \$30,000 increase for reinstated shift differential. IAFF impacts for increase on-call supplement for Fire Investigators and PIO's, and increase paramedic recertification pay resulting in an increase in salaries of \$57,000 and increase of \$80,000 in capital and debt for take-home vehicle assignments. FOP impacts for implementation of voluntary annual physical fitness assessment incentive resulting in an increase in benefits of \$355,000.

SALARY GROUP	Target	General Fund Budgeted Givebacks	General Fund Givebacks Achieved – current status	Difference from Budget
AFSCME	\$ 322,000	\$ 119,000	\$ -	\$ (119,000)
CWA	\$ 417,000	\$ 291,000	\$ 183,000	\$ (108,000)
FOP	\$ 1,396,000	\$ 1,342,000	\$ -	\$ (1,342,000)
GSA	\$ 74,000	\$ 32,000	\$ -	\$ (32,000)
IAFF	\$ 900,000	\$ 900,000	\$ -	\$ (900,000)
Unclassified/ Others	\$ 673,000	\$ 499,000	\$ 735,000	\$ 236,000
Total	\$ 3,782,000	\$ 3,183,000	\$ 918,000	\$ (2,265,000)

\*CWA includes \$183,000 of givebacks built into the FY2012/13 CSL Budget

## **GENERAL FUND FY 2012/13 BUDGET AMENDMENT**

### **General Fund Operating Revenues**

At this time, we are projecting property tax collections for FY 2012/13 at 99 percent of total budgeted property taxes revenues. The adopted budget includes 95 percent of total property taxes assessed, thereby allowing adjustments for discounts, as well as a level of adjustments due to appeals similar to long-term historical levels. It is important to note that, in the last two (2) years, property tax collections have been significantly below prior year levels due to higher levels of appeals and adjustments. The impact of appeals and adjustments for the FY 2012/13 budget provided by the Miami-Dade County Property Appraiser in July, 2013 reflect a 4.6 percent reduction in property tax values.

Overall revenues are projected to be approximately \$0.9 million above the amended budget. However Building Development Process Fee revenues (Licenses and Permits), are projected to exceed the budget by approximately \$3.2 million (16 percent). This increase is projected to be offset by declines in Interest Earnings, Electricity Franchise and Communications tax revenues, a continuing trend in recent years.

The budgeted included \$1.5 million to be transferred in from the Building department reserve to cover budgeted operating losses in that department. This is not being recommended to be transferred since building revenues are projected to be in excess of operating expenditures.

### **General Fund Operating Expenditures**

Although the total General Fund expenditure is below budget, Florida Statutes require that actual expenditures not exceed budget at the level at which the budget is adopted, which in Miami Beach is at the departmental level. Therefore, a budget amendment is required for departments that are projected to overspend their appropriation. Based on the third quarter analysis, three departments' budgets will need to be amended. Explanations of these variances are provided below, as well as a summary of estimated actual FY 2012/13 revenues and expenditures. The additional expenses above budget will be offset by reducing appropriation in other departments in the General Fund that are projected to end the year under budget.

**Police Department** – Is projected to be approximately \$1,553,000 or 1.6%, above the amended budget. In addition to the \$1.4 million in budgeted employee givebacks that have not been achieved, and overtime costs projected to be \$663,000 over the FY 2012/13 budget.

	Amended Budget 2012/13 (April Amendment)	Projected	Variance Projected/ Amended Budget
Police			
Expenditures	94,970,000	96,523,000	1,553,000

**Citywide Accounts** – Is projected to be \$2,270,000 or 5.2% above the amended budget primarily due to charges for accumulated leave payout, which are project to exceed the \$1.9 million budget by \$4.1 million. This issue has been highlighted since the FY 2011/12 year end and is projected in all quarterly projections in FY 2012/13. The most significant portion of this overage was due to an increase in leave used for Fire and Police pension buybacks, primarily driven by the 2010 Fire and Police Pension Plan changes that became effective on June 27, 2012, with the Third District Court of Appeal's unanimous decision that the collective bargaining process set out in the Public Employee Relations Act is the final word on implementing the collective bargaining rights guaranteed by the Florida Constitution. Included in the negotiated pension changes was the ability for a member to exercise their right to buy back prior creditable service upon vesting (ten years of service) compared to the previous pension benefit that provided the ability for a member to buy back prior creditable service upon twenty years of creditable service with the City.

The 225 members that had ten or more years of creditable pension service time as of September 30, 2010, were notified that they have until September 30, 2013, to exercise their right to purchase these buybacks. As a result, there continues to be an influx of members who are exercising this right and purchasing creditable pension service time following the Third District Court of Appeal's decision. The members have until September 30, 2013, to elect this option.

	Amended Budget 2012/13 (April Amendment)	Projected	Variance Projected/ Amended Budget
Citywide			
Expenditures	15,364,000	17,634,000	2,270,000

**City Attorney's Office** – Is projected to be \$225,000 or 5.2% above the amended budget primarily due to charges for outside legal fees. The Office has experienced higher than budgeted expenses for outside legal fees directly related to labor/union negotiations for the City's five labor unions whose contracts were up for renewal.

	Amended Budget 2012/13 (April Amendment)	Projected	Variance Projected/ Amended Budget
City Attorney			
Expenditures	4,318,000	4,543,000	225,000

The following table shows General Fund revenue and expenditure projections for FY 2012/13 as of the third quarter.

CITY OF MIAMI BEACH FY 2012/13 GENERAL FUND PROJECTIONS Quarter 3							
	FY 2012/13 Adopted Budget	FY 2012/13 Amended Budget	Actuals as of June 30, 2013	% Actual of FY13 Amended Budget	FY 2012/13 Projection as of Quarter 3	Over/ (Under) Amended Budget As of Quarter 3	% Over/ (Under) Amended Budget
<b>REVENUES</b>							
Ad Valorem Taxes	\$ 102,171,000	\$ 102,171,000	\$ 95,884,935	94%	\$ 101,053,000	(1,118,000)	-1.1%
Ad Valorem Taxes-S Pte Costs	10,296,000	10,296,000	9,696,229	94%	10,183,000	(113,000)	-1.1%
Ad Valorem Cap.Renewal & Replace.	1,850,000	1,850,000	2,154,718	116%	1,829,000	(21,000)	-1.1%
Ad Valorem Taxes-Norm Shores	129,000	129,000	0	0%	127,000	(2,000)	-1.6%
Other Taxes	24,023,000	24,023,000	13,982,633	58%	22,743,000	(1,280,000)	-5.3%
Licenses and Permits	20,033,000	20,033,000	18,814,534	94%	23,278,000	3,245,000	16.2%
Intergovernmental	9,827,000	9,827,000	6,911,978	70%	9,982,000	155,000	1.6%
Charges for Services	4,689,000	4,689,000	3,674,884	78%	4,436,000	(253,000)	-5.4%
Golf Courses	5,979,000	5,979,000	4,703,751	79%	5,773,000	(206,000)	-3.4%
Fines and Forfeits	2,199,000	2,199,000	2,070,034	94%	2,611,000	412,000	18.7%
Interest	2,983,000	2,983,000	2,942,390	99%	2,866,000	(117,000)	-3.9%
Unrealized Gains/ (Losses)- Investment	0	0	(2,860,106)	0%	0	0	0.0%
Rents and Leases	6,464,000	6,464,000	5,914,135	91%	6,772,000	308,000	4.8%
Miscellaneous	11,830,000	11,830,000	5,022,341	42%	11,406,000	(424,000)	-3.6%
Other - Resort Tax contribution	30,965,000	30,965,000	23,636,250	76%	30,965,000	-	0.0%
Other - Non Operating revenues	8,532,000	8,532,000	6,399,276	75%	8,532,000	(0)	0.0%
Reserve-Building Department Ops.	1,500,000	1,500,000	0	0%	0	(1,500,000)	-100.0%
Prior Year-End Carryover	3,400,000	4,790,000	0	0%	4,790,000	-	0.0%
Prior Yr Surplus from Parking Oper Fd	7,200,000	7,200,000	5,400,000	75%	7,200,000	-	0.0%
Prior Yr Set Aside for Pension Credit	2,210,000	2,210,000	0	0%	2,210,000	-	0.0%
<b>TOTAL REVENUES</b>	<b>\$ 256,280,000</b>	<b>\$ 257,670,000</b>	<b>204,347,981</b>	<b>79%</b>	<b>256,756,000</b>	<b>(914,000)</b>	<b>-0.4%</b>
Unrealized Gains/ (Losses)- Investment			2,860,106				
<b>Total Net of Unrealized Gains/ (Losses)</b>	<b>\$ 256,280,000</b>	<b>\$ 257,670,000</b>	<b>207,208,087</b>	<b>80%</b>	<b>256,756,000</b>	<b>(914,000)</b>	<b>-0.4%</b>
<b>EXPENDITURES</b>							
Mayor and Commission	1,648,000	1,648,000	1,181,907	72%	1,621,000	(27,000)	-1.6%
City Manager	2,313,000	2,745,000	2,005,177	73%	2,699,000	(46,000)	-1.7%
Communications	893,000	893,000	581,234	65%	837,000	(56,000)	-6.3%
City Clerk	1,505,000	1,505,000	938,425	62%	1,417,000	(88,000)	-5.8%
Finance	4,426,000	4,426,000	3,196,441	72%	4,183,000	(243,000)	-5.5%
Office of Budget & Perf Improve.	2,160,000	2,160,000	1,231,359	57%	1,762,000	(398,000)	-18.4%
Human Resources/Labor Relations	1,827,000	1,827,000	1,167,349	64%	1,610,000	(217,000)	-11.9%
Procurement	1,063,000	1,068,000	704,744	66%	970,000	(98,000)	-9.2%
City Attorney	4,318,000	4,318,000	3,232,402	75%	4,543,000	225,000	5.2%
Real Estate, Housing & Comm Dev	1,048,000	1,048,000	599,240	57%	791,000	(257,000)	-24.5%
Community Services	460,000	460,000	333,774	73%	458,000	(2,000)	-0.4%
Homeless Services	990,000	990,000	610,898	62%	902,000	(88,000)	-8.9%
Building	10,985,000	11,072,000	7,590,112	69%	10,837,000	(235,000)	-2.1%
Code Compliance	4,647,000	4,647,000	3,230,204	70%	4,333,000	(314,000)	-6.8%
Planning	3,419,000	3,419,000	2,178,380	64%	3,028,000	(391,000)	-11.4%
Tourism & Cultural Development	2,503,000	2,503,000	1,615,759	65%	2,431,000	(72,000)	-2.9%
Parks and Recreation	22,153,000	22,179,000	15,236,752	69%	22,627,000	448,000	2.0%
Golf Courses	6,619,000	6,619,000	4,662,548	70%	6,048,000	(571,000)	-8.6%
Public Works	6,548,000	6,688,000	4,387,649	66%	6,569,000	(119,000)	-1.8%
Capital Improvement Program	4,841,000	4,858,000	2,877,079	59%	4,087,000	(771,000)	-15.9%
Fire	62,242,000	62,263,000	45,275,439	73%	60,784,000	(1,479,000)	-2.4%
Police	94,963,000	94,970,000	73,052,960	77%	96,523,000	1,553,000	1.6%
Citywide Accounts	8,817,535	9,467,535	8,103,057	86%	12,712,000	3,244,292	34.3%
Citywide Acc-Operating Contingency	1,000,000	1,000,000	0	0%	0	(1,000,000)	-100.0%
Citywide Accounts-Normandy Shores Transfer	187,292	187,292	0	0%	213,000	25,708	13.7%
Citywide Accounts-Transfers	2,014,173	2,019,173	79,107	4%	2,019,000	-	0.0%
Reserve-Future Budget Shortfalls	831,000	831,000	0	0%	831,000	0	0.0%
Capital Renewal & Replacement	1,859,000	1,859,000	0	0%	1,859,000	0	0.0%
Reserve - Carryforward Pension Credit Surplus	0	0	0	0%	0	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>\$ 256,280,000</b>	<b>\$ 257,670,000</b>	<b>184,071,995</b>	<b>71%</b>	<b>256,694,000</b>	<b>(976,000)</b>	<b>-0.4%</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>23,136,093</b>	<b>0%</b>	<b>62,000</b>	<b>62,000</b>	<b>13.7%</b>

Additional appropriation necessary for the budget amendment will be realigned from other General Fund departments that are projected expend less than the amended budget. The exact amounts of realigned appropriations by department can be found in the accompanying resolution.

## **ENTERPRISE FUNDS FY 2012/13 BUDGET AMENDMENT**

The City accounts for proprietary operations in Enterprise Funds. Convention Center, Parking, Sanitation, Sewer, Stormwater, and Water are in this grouping. As highlighted in the third quarter projections, the Sewer and Convention Center Funds require budget amendments as the FY2012/13 year end expenses are projected to exceed the adopted budgets. Explanations of these variances are provided below, as well as a summary of estimated actual FY 2012/13 revenues and expenditures.

<b>ENTERPRISE FUNDS</b>	<b>Sanitation</b>	<b>Sewer</b>	<b>Stormwater</b>	<b>Water</b>	<b>Parking</b>	<b>Convention Center</b>
<b>Budget Amendment (April 2013)</b>	17,328,000	37,730,000	11,984,000	34,684,000	47,702,000	12,702,000
<b>3/4 of Amended Budget</b>	12,996,000	28,297,500	8,988,000	26,013,000	35,776,500	9,526,500
<b>Expenditures as of 6/30/13</b>	11,245,723	27,005,386	8,433,676	22,027,858	28,767,164	10,026,117
<b>Expenditure Above/(Below) 3/4 of Amended Budget</b>	(1,750,277)	(1,292,114)	(554,324)	(3,985,142)	(7,009,336)	499,617
	<b>Sanitation</b>	<b>Sewer</b>	<b>Stormwater</b>	<b>Water</b>	<b>Parking</b>	<b>Convention Center</b>
<b>REVENUES</b>						
<b>Projected Revenues</b>						
Charges for Service	\$ 16,453,500	\$ 35,184,000	\$ 11,611,000	\$ 32,820,000	35,898,000	9,619,451
Other	\$ 378,500	\$ 574,000	161,000	\$ 353,000	\$ 11,555,000	5,825,067
<b>Total Projection</b>	<b>\$ 16,832,000</b>	<b>\$ 35,758,000</b>	<b>\$ 11,772,000</b>	<b>\$ 33,173,000</b>	<b>\$ 47,453,000</b>	<b>\$15,444,518</b>
<b>EXPENDITURES</b>						
<b>Projected Expenditures</b>	<b>\$ 16,831,400</b>	<b>\$ 38,535,000</b>	<b>\$ 11,926,000</b>	<b>\$ 29,810,000</b>	<b>\$ 47,453,000</b>	<b>\$14,494,000</b>
<b>Surplus/(Shortfall)</b>	<b>\$ 600</b>	<b>\$ (2,777,000)</b>	<b>\$ (154,000)</b>	<b>\$ 3,363,000</b>	<b>\$ -</b>	<b>\$ 950,518</b>
<b>Projected Rate Stabilization Revenue</b>	<b>\$ -</b>	<b>\$ 2,777,000</b>	<b>\$ 154,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Surplus/(Shortfall) Net of Budgeted Rate Stabilization</b>	<b>\$ 600</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,363,000</b>	<b>\$ -</b>	<b>\$ 950,518</b>
<b>Variance from Expenditure Amended Budget - Over/ (Under)</b>	<b>\$ (496,600)</b>	<b>\$ 805,000</b>	<b>\$ (58,000)</b>	<b>\$ (4,874,000)</b>	<b>\$ (249,000)</b>	<b>\$ 1,792,000</b>

### **Sewer**

Projected expenditures are anticipated to exceed the amended budget by \$805,000 due to higher than anticipated sewer treatment costs and a reallocation of debt service expenses from Water to Sewer, based on updated data provided by the Finance department. A budget amendment is necessary to cover the additional \$805,000 in projected expenditures over the amended budget. The required appropriation for the budget amendment will be realigned from fund balance.

Overall, projected revenues are higher than the amended budget due to increased demand that is projected to offset the additional expenditures above budget.

### **Convention Center**

Projected expenditures are anticipated to exceed the amended budget by \$1.8 million due to an increase in the number of events at the Convention Center. A budget amendment is necessary to cover the additional \$1.8 million in projected expenditures over the amended budget. The required appropriation for the budget amendment will be realigned from fund balance.

Overall, projected revenues are higher than the amended budget due to increased events that is projected to result in a surplus of \$0.9 million.

**CONCLUSION**

It should be noted that these projections are preliminary in nature due to the fact that the City's financial records will not be closed until after the fiscal year is closed and external auditors complete their review. Historically, this occurs in April, with the City's Comprehensive Annual Financial Report (CAFR) For the Year Ended September 30, 2013, usually available in May and the External Auditor's Report available in July.

This amendment allows for additional contingency of \$0.9 million, pending the year end closeout reflecting final FY 2012/13 expenditures. If it is necessary, a resolution further amending the FY 2012/13 budgets will allow the third amendment to the departmental appropriations to be enacted. This action is necessary to comply with Florida Statutes which stipulate that we may not expend more than our appropriations provide.



JLM: KGB/JW



# MIAMI BEACH

## CITY OF MIAMI BEACH

### NOTICE OF A SPECIAL CITY COMMISSION MEETING AND PUBLIC HEARINGS

**NOTICE IS HEREBY** given that a Special Commission Meeting regarding the Second Public Hearings to consider the adoption of the Millage Rate and Budget for FY 2013/2014 will be held by the City Commission of the City of Miami Beach, Florida, on **Monday, September 30, 2013**, commencing at 5:00 p.m., in the Commission Chambers, 3rd Floor, City Hall, 1700 Convention Center Drive, Miami Beach, Florida to consider the following:

**5:01 p.m.**  
A Resolution Adopting: 1) The Final Ad Valorem Millage Of 5.8909 Mills For General Operating Purposes, Which Is Six And Eight-Tenth Percent (6.8%) More Than The "Rolled-Back" Rate Of 5.5158 Mills; And 2) The Debt Service Millage Rate Of 0.2529 Mills for Fiscal Year (FY) 2013/14.

**5:01 p.m.**  
A Resolution Adopting Final Budgets For The General, G.O. Debt Service, RDA Ad Valorem Taxes, Enterprise, And Internal Service Funds For Fiscal Year (FY) 2013/14.

**5:02 p.m.**  
A Resolution Of The Board Of Directors Of The Normandy Shores Local Government Neighborhood Improvement District Adopting The Final Ad Valorem Millage Of 1.2687 Mills For Fiscal Year (FY) 2013/14 For The Normandy Shores Local Government District, Which Is Nineteen Percent (19.0%) More Than The "Rolled-Back" Rate Of 1.0664 Mills.

**5:02 p.m.**  
A Resolution Of The Board Of Directors Of The Normandy Shores Local Government Neighborhood Improvement District Adopting The Final Operating Budget For Fiscal Year (FY) 2013/14.

**5:03 p.m.**  
A Resolution Adopting The Final Capital Improvement Plan For Fiscal Years (FY) 2013/14-2017/18 And Adopting The Final Capital Budget For FY 2013/14.

**5:03 p.m.**  
A Resolution Adopting Fiscal Year (FY) 2013/14 Final Budgets For Special Revenue Funds For Resort Tax; The 7th Street Parking Garage Operations; The 5th And Alton Parking Garage Operations; Art In Public Places (AIPP), Tourism And Hospitality Scholarship Program, Green/ Sustainability Funds, Waste Hauler Additional Services And Public Benefit Contribution Funds, Education Compact Funds, Red Light Camera Funds, And Emergency 911 Funds.

**5:03 p.m.**  
A Resolution Adopting The Final Budget Of \$1,200,000 From Fiscal Year (FY) 2013/14 People's Transportation Plan (PTP) Funds And \$87,000 From (FY) 2013/14 South Beach Concurrency Mitigation Funds, To Fund The Final Operating Budget For The South Beach Local In Miami Beach; And Further Adopting The Final Budget Of \$301,000 From FY 2013/14 People's Transportation Plan Funds For Administrative And Technical Operating Expenditures, As Part Of The Five Percent (5%) Allowable For Administrative Assistance And Technical Assistance.

**5:03 p.m.**  
A Resolution Authorizing The Adoption Of The Miami Beach Cultural Arts Council's Fiscal Year (FY) 2013/14 Final Budget In The Amount Of \$1,470,000.

**5:03 p.m.**  
A Resolution Adopting The Fiscal Year (FY) 2013/14 Police Special Revenue Account Final Budget In The Amount Of \$75,000 For The Purchase Of Those Items Set Forth In Exhibit "A," And Such Account Funded By Unclaimed Evidence Currently Held In The Police Special Revenue Account.

**5:03 p.m.**  
A Resolution Adopting The Police Confiscation Trust Fund Final Budget For Fiscal Year (FY) 2013/14 In The Amount Of \$724,000, To Be Funded From State Confiscated Funds In The Amount Of \$235,000 And Federal Justice Confiscated Funds In The Amount Of \$489,000, For The Appropriation And Expenditure Of Those Items Set Forth In Exhibit "A," Which Shall Be Funded Through The Police Confiscation Trust.

**5:03 p.m.**  
A Resolution Adopting The Fiscal Year (FY) 2013/2014 Police Training & School Resources Fund Final Budget In The Amount Of \$35,000.

**5:03 p.m.**  
Resolution Adopting The Second Amendment To The General Fund, Enterprise, Internal Service Fund, And Special Revenue Fund Budgets For Fiscal Year (FY) 2012/13.

**5:03 p.m.**  
A Resolution Adopting And Appropriating The Fourth Amendment To The Police Confiscation Trust Budget For Fiscal Year 2012/2013 In The Amount Of \$10,000, To Be Funded From The Proceeds Of State Confiscated Funds, For The Appropriation And Expenditure Of Those Items Set Forth In Exhibit "A," Which Shall Be Funded Through The Police Confiscation Trust Fund.

**5:04 p.m.**  
1. Ordinance Amending Chapter 50 Of The City Of Miami Beach Code, Entitled "Fire Prevention And Protection," By Amending Section 50-4 Thereof, Entitled "Enforcement By Fire Inspectors; Notice Of Violation," To Add Citations And Implement New Fine Schedule Related To Fire Code Violations; By Amending Section 50-5 Thereof, Entitled "Annual Fire Prevention And Fire Safety Inspection Permit" To Include The Night Inspection Fee Previously Adopted Under Section 102.379 Of The City Code.

2. Ordinance Amending Chapter 102 Of The Code Of The City Of Miami Beach, Entitled "Taxation," By Deleting The Nightclub Fee Set Forth In Section 102.379, Entitled "Schedule Of Taxes, Effective October 1, 2009".

**5:04 p.m.**  
Ordinance Amending Chapter 50 Of The Code Of The City Of Miami Beach, Entitled "Fire Prevention And Protection," By Creating Section 50-8 Thereof, To Be Entitled "Fire Alarms, Regulations, Penalties, Enforcement" To Establish Requirements And Fines For False Fire Alarms.

**5:04 p.m.**  
An Ordinance Amending Appendix A, Entitled "Fee Schedule" For Subsection (A) Of Section 110-168, Entitled "Sanitary Sewer Service Charge," Of Chapter 110 Of The Miami Beach City Code, Entitled "Utilities," Article IV, Entitled "Fees, Charges, Rates And Billing Procedure"; Division 2 Thereof, Entitled "Rates, Fees And Charges," To Increase The Sanitary Sewer Service Charge Imposed By The City.

**5:04 p.m.**  
Ordinance Amending Part 1, Subpart B, Article IX, Related Special Acts, Of The Miami Beach City Code Entitled "Pension System For Disability And Retirement Of Members Of Police And Fire Departments"; Implementing Provisions Of The 2012-2015 Collective Bargaining Agreements Between The City And Fire Fighters Of Miami Beach, IAFF Local 1510, And Miami Beach Fraternal Order Of Police, William Nichols Lodge No. 8; Amending Section 62 Entitled "Definitions"; Amending Section 63 Entitled "Source Of Monies For Fund; Computation Of Liability; Use And Investment Of Fund"; Amending Section 65 Entitled "Computation Of Creditable Service; Service Record"; Amending Section 66 Entitled "Service And Disability Benefits Generally"; Amending Section 67 Entitled "Cost Of Living Adjustment"; Amending Section 79 Entitled "Deferred Retirement Option Plan"; Amending Section 82 Entitled "Military Service"; Creating A New Section 88 Entitled "Benefits For Members Hired On Or After September 30, 2013."

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